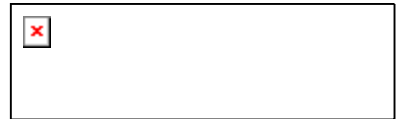


# Staff Summary Report



Council Meeting Date: \_\_\_\_\_

Agenda Item Number: \_\_\_\_\_

**SUBJECT:** Request approval to award a one-year contract with nine, one-year renewal options with The Active Network, Inc., for the purchase, implementation and annual maintenance of a Customer Relations Management Software Solution for the Community Relations Department's Customer Relations Center. This system is a web-based software solution that will become the foundation of the City's new centralized online customer service call center.

**DOCUMENT NAME:** 20100610fsmg01 PURCHASES (1004-01)

**COMMENTS:** (RFP #10-089) Total amount not to exceed \$175,000 during the one-year initial contract period.

**PREPARED BY:** Michael Greene, C.P.M., Central Services Administrator, 480-350-8516

**REVIEWED BY:** Debbie Cress, Administrative Assistant II, 480-350-5038  
Cheryl Danna, Business Analyst, 480-350-5038  
Shelley Hearn, Community Relations Manager, 480-350-8906  
Cyndy Lawshe, Business Analyst, 480-858-2044  
Shauna Warner, Neighborhood Program Director, 480-350-8883

**LEGAL REVIEW BY:** Dave Park, Assistant City Attorney, 480-350-8907

**DEPARTMENT APPROVAL:** Jerry Hart, CPA, Financial Services Manager, 480-350-8505

**FISCAL NOTE:** Sufficient funds have been appropriated in cost center 3526 (General Fund) for anticipated expenditures for the current fiscal year. Should renewal options be exercised, the reoccurring costs for maintenance and support will be \$16,562.50 per year. Furniture and some of the equipment needed have been acquired from surplus and existing supplies. Staffing for the call center will come from current employees transferred into Community Relations to centralize the operation of the program.

**RECOMMENDATION:** Award the contract.

**ADDITIONAL INFO:** Background Information

The new Customer Relations Management (CRM) software will be used to improve response times for Tempe customers while enhancing their interaction with the City. The system will quickly and efficiently provide the requested information via telephone, e-mail, Web based connection or walk-in service. The new CRM software will allow call takers to seamlessly route work order requests that can then be tracked in real time via computer or mobile device by both the City and the requesting party. Robust reporting capabilities will enable the City to track and assess performance data to assist departments, management and elected officials in identifying trends and directing resources to increase efficiency. City staff has carefully researched both the challenges and benefits of implementing a comprehensive CRM system and feels confident that such a solution properly designed and managed can further enhance the quality of customer service, improve the consistency of information disseminated and increase the efficient delivery of City services.

## Evaluation Process

To select the most appropriate product, an evaluation team was formed consisting of representatives from various functional areas throughout the City. The committee agreed on the following evaluation criteria that would be used to score the offers:

Software Solution	Implementation Plan/Product Support
Experience	Financial Strength
Cost	Responsiveness
Migration Cost	Terms and Conditions Compliance
Account Team	Demonstration/Interviews

The City received nine offers from the following firms:

Column Technologies  
Information Strategies  
IntelliGov  
Lagan  
Motorola  
Net Suite  
On Contact Software  
The Active Network  
Winbourne & Costas, Inc.

Both On Contact Software and Net Suite were immediately removed from consideration due to their failure to meet minimum experience requirements. The remaining seven firms were forwarded to the evaluation committee for review and scoring. As a result of the initial scoring process, the City determined that four firms (Column Technologies, Information Strategies, Motorola, and IntelliGov) were not susceptible for award and were removed from consideration. The remaining three firms, Lagan, Active Network, and Winbourne & Costas were moved forward in the evaluation process and invited for interviews, software demonstrations, and best and final offers. In the final analysis, the committee recommends award to Active Network, the firm determined to have submitted the most advantageous offer.

The following abstract represents all firms, scores and pricing listed in final rank order:

<u>Offering Firm</u>	<u>Total Five Year Cost</u>	<u>Final Scores</u>
Active Network	\$233,295	432
Winbourne & Costas, Inc.	\$181,040	410
Lagan	\$285,125	381
Motorola	\$599,168	310
Information Strategies	\$237,268	245
IntelliGov	\$242,000	240
Column Technologies	\$200,070	229
Net Suite	\$167,900	No score
On Contact Software	\$492,210	No score

The City allowed for either vendor hosted or on-premise solutions. Active Network offered an on-premise solution that could be billed as either a subscription (software as a service/pay as you go) model or be purchased outright. The purchase of the on-premise solution was the better priced option. The pricing shown above represents all costs including; software license fees, implementation, training, and on-going maintenance/hosting support incurred over a 5 year period (applicable tax is not shown). The City performed a five year cost analysis for evaluation purposes. Council is being asked to approve only a one year contract at a not to exceed value of \$175,000.

The implementation for this project is expected to take approximately 12 weeks with a start date targeted for September, 2010. The Public Works Department and City main number will initiate the soft roll out of the program. Once the system is fully operational the remainder of the city departments with the exception of Police, Fire, Courts and water customer service will be implemented and an outreach and marketing campaign will roll out the program to the community.

